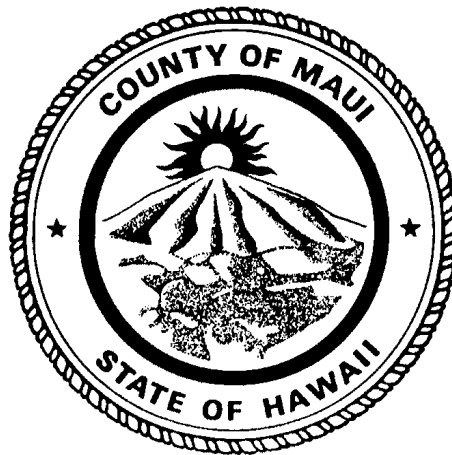


2008

COUNTY OF MAUI

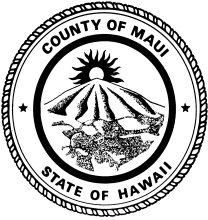
COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) PROGRAM

PROPOSAL APPLICATION PACKET



County of Maui
200 South High Street
Wailuku, Hawaii 96793
808-270-7213
Fax 808-270-7159

I. Introduction



OFFICE OF THE MAYOR

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

COUNTY OF MAUI
200 SOUTH HIGH STREET, WAILUKU, HAWAII 96793

CHARMAINE TAVARES
Mayor

CAROL S. GENTZ
Program Manager

Phone: (808) 270-7213
Fax: (808) 270-7159

INTRODUCTION

The purpose of the Proposal Application Packet is to provide information and guidance to the applicant who is considering applying for the U.S. Department of Housing and Urban Development's (HUD) Small Cities Community Development Block Grant (CDBG) Program, through the County of Maui, Office of the Mayor, CDBG Program Office.

The CDBG Program provides grants to units of general local government and eligible private non-profit entities to formulate programs in meeting housing and community development needs. The primary objective of the CDBG Program is the development of viable communities, including decent housing and a suitable living environment and expanding economic opportunities, **PRINCIPALLY FOR PERSONS OF LOW AND MODERATE INCOME.**

Each application received by the CDBG Program office shall be evaluated in accordance with the *Project Evaluation & Rating System*. The system includes a comprehensive process which evaluates and selects projects on a competitive application basis. This system is intended to objectively, equitably and consistently evaluate all applications received. Further, it ensures that the projects submitted to HUD are eligible for funds and can be implemented in a timely manner. The projects selected are recommended to the Mayor for approval, and then presented to the Maui County Council for approval. Approved projects shall be included in the County's 2008 Annual Action Plan of the Consolidated Plan, which is subject to a 30-day public comment period, and approval by HUD.

The Proposal Application Packet has been prepared to assist the applicant by providing information and guidance on application preparation and by explaining the review and selection process.

The proposal packet includes the following information and forms:

- A. General background information about the CDBG Program; explanation of activities eligible for funding and other eligibility requirements.
 - CDBG Fact Sheet
 - General Information
 - CDBG Application Schedule
 - 2005-2009 Consolidated Plan - Section D as well as Section B I and II

- B. Federal regulation pertaining to the CDBG Program and other requirements applicable to applicants receiving CDBG funding.
- CDBG Rules & Regulations (24 CFR 570)
 - Subpart K - Other Program Requirements
 - Notice of Outcome Performance Measurement System for CDBG Formula Grant Programs, 71 Fed. Reg. 11,470 (March 7, 2006)
- C. Description of the screening, evaluation and selection methodology to be used.
- Project Evaluation & Rating System (County of Maui Policy)
 - Priority Factors Evaluation Scoring Guidelines
 - Application Priority Factors Rating Sheet
- D. Description and explanation of the documentation that the proposal must include to properly quantify qualify and substantiate the information requested, and application form(s) to be used by the applicant.
- Application Instructions
 - CDBG Application

IMPORTANT NOTICE

Please read **all** of the enclosed materials carefully prior to preparing the proposal application. In order to be considered for CDBG funding, applications shall be required to satisfy the threshold factors before the proposal will be rated and ranked. With the demand for grants typically far exceeding the available amount of funds, the County's *Project Evaluation & Rating System* is designed with strict parameters in order to promote objectivity, equity and consistency in the rating and ranking of proposals. This selection system has been established with pre-determined evaluation elements to which a specific range of points and criteria has been assigned. As such, applications should be complete, include appropriate and quantifiable information, and be presented in a manner that will enable the application to be adequately screened (threshold factors) and evaluated on each rating element (priority factors).

The application submission period begins **October 29, 2007** and shall end on **December 3, 2007 at 3:00 p.m. HST**. The time frame of the submission period is firm. At the close of the proposal application submissions period, no further information will be accepted by the CDBG Office unless requested for clarification purposes as required to comply with the County's Consolidated Plan.

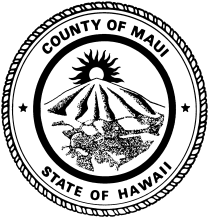
Eligible community organizations who wish to submit a project proposal application as grant subrecipients **shall submit eight sets of the application in this manner: the original CDBG application shall be unbound, 1 unbound copy, and 6 bound copies.** Applications must

be received by the deadline of **December 3, 2007, 3:00 p.m. HST or postmarked no later than the aforementioned date.**

Copies may be mailed to: CDBG Program Office
Office of the Mayor
200 South High Street
Wailuku, Hawaii 96793

OR copies may be delivered to: CDBG Program Office
David K. Trask, Jr. Building, Suite 201
2145 Kaohu Street
Wailuku, Hawaii 96793

Proposals received by the CDBG Program Office after the date and time deadline, not accompanied with the appropriate number of copies, and incomplete proposals will not be accepted. Only information submitted by the deadline will be considered in the selection process. The CDBG Office may request additional data as needed and promulgated by the CDBG Program rules to comply with the County's Consolidated Plan. **Additional data submitted after the proposal due date and not requested by the CDBG Office will be returned.**



OFFICE OF THE MAYOR

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

COUNTY OF MAUI
200 SOUTH HIGH STREET, WAILUKU, HAWAII 96793

CHARMAINE TAVARES
Mayor

CAROL S. GENTZ
Program Manager

Phone: (808) 270-7213
Fax: (808) 270-7159

FACT SHEET

CDBG APPLICATION PROCESS 2008 PROGRAM YEAR July 1, 2008 to June 30, 2009

This Fact Sheet serves to provide information about the Community Development Block Grant (CDBG) Program Year 2008 application process and the CDBG program requirements. Information regarding the County of Maui CDBG Program is also available on the County's website at www.mauicounty.gov/mayor/community.

BACKGROUND INFORMATION

The Community Development Block Grant (CDBG) was created by Title I of the Housing and Community Development Act of 1974 (Public Law 93-383). Effective since January 1, 1974, it is one of the oldest programs of the U.S. Department of Housing and Urban Development (HUD). As the Federal Government's primary program for promoting community revitalization throughout the country, CDBG funds are usually awarded in the form of grants and loans.

CDBG funds are granted to units of general local government to assist them in addressing high priority community development needs which will primarily benefit low- and moderate-income persons and families, as identified by its community. CDBG funds may also be used to aid in the prevention or elimination of slums or blight, or may include activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

The CDBG funds are allocated by HUD to the counties of Kauai, Hawaii and Maui on a formula basis. The formula, as established by HUD, is based on the County's population, the extent of poverty and the extent of housing overcrowding. However, HUD may reduce the County's allocated amount if the County is not utilizing the grant amount effectively and efficiently, and/or is found not in compliance with program requirements.

The County of Maui has participated in the CDBG Program since its inception and received its first allocation of \$454,000 in 1975. The CDBG funding for Maui County for Program Year 2007 is \$2,085,716 and is currently estimated to be approximately \$2,000,000 for Program Year 2008.

Each program or project funded by CDBG must meet at least one of the broad national objectives, be used for an eligible activity and have a direct impact on the applicant's identified need. Detailed information on the national objectives, eligible activities and program requirements may be found in the CDBG Rules and Regulations in the Federal Register, Title 24 Code of Federal Regulations (CFR), Subchapter C, Part 570, which is included in the County of Maui Proposal Application Packet.

CONSOLIDATED PLAN

The County's Consolidated Plan (ConPlan) is a five (5) year plan that addresses the County's needs and funding priorities. The purpose of the ConPlan is to ensure that jurisdictions receiving federal assistance adequately direct and plan for community development and housing related provisions of low- and moderate-income families in a way that improves the availability and affordability of decent, safe and sanitary housing in a suitable living environment. The ConPlan is an important strategic planning and decision-making tool for the County in that **any CDBG project considered and recommended for funding during the five-year plan period must be consistent with the ConPlan.**

In addition to serving as a strategic plan for the County of Maui's priorities and objectives for the HUD programs, the ConPlan is also used by HUD to measure the County's annual accomplishments of its ConPlan's objectives. As such, **projects seeking CDBG funding must address a priority community development need and fulfill community development goals and their related activities, as outlined in the 2005-2009 ConPlan (Section D as well as Section B I and II)** and shall be evaluated accordingly in the rating process.

The CDBG Program, Office of the Mayor and the HOME Program, which is administered by the Housing Division, Department of Housing & Human Concerns, developed the County of Maui 2005-2009 Consolidated Plan (ConPlan) with the U.S. Department of Housing and Urban Development (HUD). The ConPlan was drafted with extensive community input through public hearings and consultations with the County Council, community organizations and government agencies, and by public survey and studies. The County of Maui 2005 - 2009 Consolidated Plan, which was submitted to HUD in October 2004 and approved in July 2005, is effective for the period July 1, 2005 to June 30, 2010.

ANNUAL ACTION PLAN

As part of the ConPlan submission requirement, the County of Maui is required to submit an Annual Action Plan (AAP) for HUD's approval of the jurisdiction's block grant funding application.

The AAP serves as the County's annual planning document and specifically addresses, as required by HUD, the activities (projects) the County shall undertake with anticipated CDBG

funds received during the program year to meet the ConPlan objectives. The activities (projects) that the County proposes to finance in the AAP are selected in accordance with the County's Project Evaluation and Rating System. This process involves the rating of each activity (project) by an evaluation panel coordinated by the CDBG Program Office that submits its recommendation to the Mayor for approval. Upon Mayor's approval, a Resolution itemizing the approved projects is presented to the Maui County Council for adoption. Upon adoption by the Council, the AAP is drafted, made available for public comment and then submitted to HUD for approval.

ELIGIBLE APPLICANTS FOR CDBG FUNDING

Generally, eligible applicants for CDBG funding from the County are private non-profit entities, government agencies and Community Based Development Organizations (CBDO). Special activities and eligibility of CBDOs can be found in Title 24 CFR 570.204. Private entities organized for profit may be eligible under certain circumstances, including some rehabilitation and economic development activities as specified in Title 24 CFR Subpart C.

As a general rule, CDBG assistance may not be used for religious activities. Religious organizations may be eligible to utilize CDBG funds under rules and restrictions as specified in Title 24 CFR 570.200 (j).

NATIONAL OBJECTIVES

Proposed activities seeking CDBG funding must meet one of the following national objectives, pursuant to the Federal Register, Title 24 CFR 570.208:

- 1) Principally benefit low- and moderate-income persons or families
- 2) Aid in the prevention or elimination of slums or blight
- 3) Designed to meet community development needs having a particular urgency (serious and immediate threat to health or welfare of the community)

Due to the difficulty to qualify proposed activities under the second and third national objectives and that they are not included in the County's ConPlan, applications must propose activities that will benefit low- and moderate-income persons or families.

ELIGIBLE ACTIVITIES

The range of eligible activities that may be undertaken with CDBG funds are stipulated in the CDBG Rules and Regulations (Title 24 CFR 570 Subpart C). In general, these activities include, but are not limited to:

- Real Property Acquisition
- Public Facilities and Improvements
- Public Services
- Housing Rehabilitation
- Removal of Architectural Barriers
- Special Development Activities
- Historic Preservation
- Community Development Planning

Additionally, activities cannot be expressly ineligible pursuant to Title 24 CFR 570.207.

PERCENTAGE LIMITATIONS

CDBG Regulations specify the following percentage limitations on the use of funds by the County:

- 1) At least 70% of the grant funds must be used for activities that will benefit low- and moderate-income persons or families.
- 2) A maximum of 15% of the grant funds may be used for public service activities.
- 3) A maximum of 20% of the grant funds may be used by the County for administering the CDBG program.

APPLICATION PROCESS

Eligible community organizations who may be interested in participating in the application process for CDBG funding and wish to become more familiar with the CDBG Program requirements, are encouraged to attend the public application workshops that are scheduled to be held by the CDBG Program Office during the weeks preceding the open application period. Technical assistance meetings may also be scheduled with the CDBG Program Office prior to the open application period.

For Program Year 2008, public application workshops were scheduled during the month of September and early October 2007. Interested community organizations may schedule technical assistance meetings with the CDBG Program Office through October 26, 2007.

The open application period is set annually, and is required to be not less than thirty (30) days in duration. For Program Year 2008, the open application period is scheduled for **Monday, October 29, 2007 at 7:45 AM HST to Monday, December 3, 2007 at 3:00 PM HST.**

A Request For Proposals (RFP) Public Notice shall be published in the Maui News, The Lanai Times and The Molokai Dispatch prior to the open application period to announce the specific opening and closing dates of the application submission period. Upon public announcement,

the submission period is firm. No new project proposals or information shall be accepted after the open application filing date has expired.

Applicants may obtain a Proposal Application Packet from the CDBG Office which will become available once the open application period commences. The Proposal Application Packet provides all the necessary information, instructions and forms required to prepare and complete the written proposal for CDBG funding. The Proposal Application Packet is reviewed and updated annually by the CDBG Office, and therefore, subject to change from one program year to the next. Applications that do not conform to the Proposal Application Packet requirements for the applicable program year, in form, content and submission shall not be accepted and will be rejected. Proposal Application Packets shall also be made available on line at the County of Maui's website at www.mauicounty.gov/mayor/community during the open application period.

The Application Instructions should be reviewed and the application should be completed carefully to ensure compliance with the Application Instructions. The Application Checklist is provided for the applicant's use to verify all appropriate information is included and in the proper format. A similar checklist shall also be used by the CDBG Program Office in the threshold screening process.

Eligible community organizations who wish to submit a project proposal application as grant sub-recipients, shall mail eight sets of the application in this manner: the **original CDBG Application (unbound), 1 unbound copy, and 6 bound copies** securing all documents as noted in the application, which must be postmarked no later than **the last day of the open application period**, to the following address:

CDBG Program
Office of the Mayor
County Building
200 South High Street
Wailuku, Maui, Hawaii 96793

Please be advised that the CDBG Program Office's mailing address is different from its physical location. Mailing of applications is strongly encouraged. However, should the interested applicant wish to hand-deliver the documents, all required application documents must be received by the CDBG Program Office no later than **3:00 p.m. HST of the last day of the open application period**. The office is located at Suite 201, on the 2nd floor of the David K. Trask, Jr. Building located on 2145 Kaohu Street, Wailuku, Maui.

Late applications will not be accepted. The closing date of the proposal submission period is firm. No further information will be accepted by the CDBG Program Office after the closing date and time. Applications received after the date and time deadline, lacking the correct number of sets (1 original unbound application, 1 unbound copy and 6 bound copies securing all documents) and incomplete applications (i.e. questions left blank, questions not completely answered, supporting documentation not provided, etc.) shall be rejected. Applications must be received in hard copies as specified; **electronic copies shall not be accepted.**

Only information/data submitted by the applicant by the deadline will be considered in the selection process. Therefore, **it is critical that the CDBG Proposal Application submitted by the applicant be complete, factual and contain all required supporting data and forms. If the proposal is found incomplete, it shall not be evaluated.** The CDBG Program Office may request additional information for clarification purposes as promulgated by the CDBG Program rules to comply with the Consolidated Plan. Any additional information submitted after the application due date not requested by the CDBG Program Office will be returned.

PROJECT SELECTION PROCESS

In that the County's performance directly affects the allocation of CDBG funds, great care is taken by the CDBG Program Office to ensure that the projects selected by the County for its grant funding application to HUD increases its potential of receiving the maximum funding allocation for future grants. Effective with the 2004 program year, the County of Maui implemented new screening, evaluation and selection procedures to promote objectivity, equity and consistency in the selection of proposals. The new process (CDBG Project Evaluation and Rating System) follows federal procurement standards to accept, evaluate, and select proposals for CDBG funding. An explanation of the County's CDBG Project Evaluation and Rating System is documented and included in the Proposal Application Packet.

To summarize, the project selection process begins after the open application period ends with the screening of certain minimum (threshold) requirements which include: 1) application submission requirements, 2) application eligibility, 3) project eligibility and 4) HUD national objectives. Those proposals satisfying the threshold requirements are then evaluated utilizing a rating and point assignment process (Priority Factors Evaluation). This process is conducted by a panel and considers various critical elements which include, but are not limited to: ConPlan goals, activities, and priority community development needs; project viability; impact of results; project readiness; completion timetable; financial resources and leveraging; and the applicant's management capacity, experience and ability to comply with the Program requirements. Points for each of the priority elements are compiled and the selection of projects recommended for CDBG funding is based on the composite ranking of the projects. Projects meeting the minimum score and receiving the highest composite rating up to the estimated availability of funds are included in the funding recommendation presented to the Mayor for approval.

The Mayor reviews the funding recommendation based on the over-all community development needs of the County and budgetary plans for the next fiscal year. Upon approval by the Mayor, the funding recommendation is included in a Resolution presented to the County Council for adoption. If the funding recommendation and/or Resolution are not approved by the Mayor and/or Council in its entirety, respectively, the CDBG Program Office shall initiate a new application process with another open application period as well as another evaluation and selection process.

As mentioned previously, the recommended projects are included in the Annual Action Plan that is filed with HUD. The public is afforded the opportunity to comment on the Draft Annual Action Plan before its finalization and submission to HUD.

PROJECT IMPLEMENTATION

Once HUD has approved the County application (Annual Action Plan), usually by July 15 of each year, the project implementation process may begin. This process includes the completion of environmental reviews, drafting and execution of subrecipient grant agreements, publishing of required public notices, and issuance of the Notice to Proceed. **CDBG funds may not be used for any expenses of obligation incurred prior to the completion of the environmental review requirements and issuance of the County's Notice to Proceed.** Each individual project must be completed within twelve (12) months after the date of execution of the subrecipient grant agreement between the County of Maui and the subrecipient.

GRANT SUBRECIPIENT OBLIGATIONS

The receipt of CDBG funds obligates the subrecipient to comply with all CDBG Program and other applicable federal statutory requirements. The requirements include, but are not limited to: compliance with federal environmental review provisions, procurement requirements, labor laws and standards; program implementation reporting and financial audits; on-site and remote monitoring requirements; and obligations regarding the future use of property acquired or improved with CDBG funds.

CDBG PROGRAM ADMINISTRATION

The CDBG Program for the County of Maui is administered by the CDBG Program Office, Office of the Mayor. Questions about the Community Development Block Grant Program may be directed to the CDBG Office at (808) 270-7213.

Revision 10/15/07